



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-050]

Countervailing Duty Investigation of Ammonium Sulfate from the People's Republic of China:  
Preliminary Affirmative Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) preliminarily determines that countervailable subsidies are being provided to producers and exporters of ammonium sulfate from the People's Republic of China (PRC). The period of investigation is January 1, 2015 through December 31, 2015. We invite interested parties to comment on this preliminary determination.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.]

FOR FURTHER INFORMATION CONTACT: Robert Galantucci, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-2923.

SUPPLEMENTARY INFORMATION:

*Scope of the Investigation*

The product covered by this investigation is ammonium sulfate from the PRC. For a complete description of the scope of this investigation, *see* Appendix II.

## *Methodology*

The Department is conducting this countervailing duty (CVD) investigation in accordance with section 701 of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and that the subsidy is specific.<sup>1</sup> For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.<sup>2</sup> A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version are identical in content.

In making these findings, we relied on facts otherwise available. Additionally, because we find that the mandatory respondents did not act to the best of their ability to respond to the Department’s requests for information, and therefore impeded this investigation, we drew an adverse inference where appropriate in selecting from among the facts otherwise available.<sup>3</sup> For

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<sup>1</sup> *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

<sup>2</sup> *See* Memorandum, “Decision Memorandum for the Preliminary Affirmative Determination in the Countervailing Duty Investigation of Ammonium Sulfate from the People’s Republic of China,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>3</sup> *See* sections 776(a) and (b) of the Act.

further information, *see* “Use of Facts Otherwise Available and Adverse Inferences” in the Preliminary Decision Memorandum.

*Preliminary Determination and Suspension of Liquidation*

In accordance with sections 776(a)(1), 776(a)(2), and 776(b) of the Act, we applied facts otherwise available with an adverse inference to assign countervailable subsidy rates for non-cooperative mandatory respondents Wuzhoufeng Agricultural Science & Technology Co. Ltd. (Wuzhoufeng AST) and Yantai Jiahe Agriculture Means of Production Co. Ltd. (Yantai AMP). With respect to the all-others rate, section 705(c)(5)(B) of the Act provides that if the countervailable subsidy rates established for all exporters and producers individually investigated are determined entirely in accordance with section 776 of the Act, the Department may use any reasonable method to establish an all-others rate for exporters and producers not individually investigated. In this case, the rates assigned to Wuzhoufeng AST and Yantai AMP are based entirely on facts otherwise available, with an adverse inference, under section 776 of the Act. There is no other information on the record with which to determine an all-others rate. As a result, in accordance with section 705(c)(5)(B) of the Act, we have established the all-others rate by applying the countervailable subsidy rates for mandatory respondents Wuzhoufeng AST and Yantai AMP. The preliminary estimated countervailable subsidy rates are summarized in the table below.

<b>Company</b>	<b>Subsidy Rate</b>
Wuzhoufeng Agricultural Science & Technology Co. Ltd.	206.72 percent
Yantai Jiahe Agriculture Means of Production Co. Ltd.	206.72 percent
All-Others	206.72 percent

In accordance with sections 703(d)(1)(B) and (d)(2) of the Act, we will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of ammonium sulfate from the PRC as described in the “Scope of the Investigation” entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*, and to require a cash deposit for such entries of merchandise in the amounts indicated above.

#### *International Trade Commission Notification*

In accordance with section 703(f) of the Act, we will notify the International Trade Commission (ITC) of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Assistant Secretary for Enforcement and Compliance.

In accordance with section 705(b)(2) of the Act, if our final determination is affirmative, the ITC will make its final determination within 45 days after the Department makes its final determination.

#### *Public Comment*

Interested parties may submit case and rebuttal briefs, as well as request a hearing.<sup>4</sup> Case briefs may be submitted no later than 30 days after the publication of this preliminary determination in the *Federal Register*, and rebuttal briefs, limited to issues raised in the case briefs, may be submitted no later than five days after the deadline for case briefs. Interested

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<sup>4</sup> See 19 CFR 351.309(c)-(d), 19 CFR 351.310(c).

parties who wish to request a hearing, or to participate if one is requested, must do so in writing within 30 days after the publication of this preliminary determination in the *Federal Register*.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.205(c).

Dated: October 24, 2016

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Ronald K. Lorentzen  
Acting Assistant Secretary  
for Enforcement and Compliance

## **Appendix I**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope Comments
- IV. Scope of the Investigation
- V. Injury Test
- VI. Application of the CVD Law to Imports from the PRC
- VII. Use of Facts Otherwise Available and Adverse Inferences
- VIII. Calculation of the All-Others Rate
- IX. ITC Notification
- X. Public Comment
- XI. Conclusion

## **Appendix II**

### **Scope of the Investigation**

The merchandise covered by this investigation is ammonium sulfate in all physical forms, with or without additives such as anti-caking agents. Ammonium sulfate, which may also be spelled as ammonium sulphate, has the chemical formula  $(\text{NH}_4)_2\text{SO}_4$ .

The scope includes ammonium sulfate that is combined with other products, including by, for example, blending (*i.e.*, mixing granules of ammonium sulfate with granules of one or more other products), compounding (*i.e.*, when ammonium sulfate is compacted with one or more other products under high pressure), or granulating (incorporating multiple products into granules through, *e.g.*, a slurry process). For such combined products, only the ammonium sulfate component is covered by the scope of this investigation.

Ammonium sulfate that has been combined with other products is included within the scope regardless of whether the combining occurs in countries other than China.

Ammonium sulfate that is otherwise subject to this investigation is not excluded when commingled (*i.e.*, mixed or combined) with ammonium sulfate from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

The Chemical Abstracts Service (CAS) registry number for ammonium sulfate is 7783-20-2.

The merchandise covered by this investigation is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheading 3102.21.0000. Although this HTSUS subheading and CAS registry number are provided for convenience and customs purposes, the written description of the scope of the investigation is dispositive.

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